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On behalf of the National Association of State Foresters**

**Before the House of Representatives Committee on Agriculture  
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**Review of the Forest Land Enhancement Program**

Good morning Mr. Chairman and members of the Committee. On behalf of the National Association of State Foresters, I am pleased to have the opportunity to testify today on the Forest Land Enhancement Program, authorized in the Forestry Title of the 2002 Farm bill.

The National Association of State Foresters is a non-profit organization that represents the directors of the state forestry agencies from all fifty states, eight U.S. territories, and the District of Columbia. State Foresters manage and protect state and private forests across the U.S., which together encompass two-thirds of the nation's forests.

Non-industrial private forestland is invaluable to the economic, social, and natural resources of our country. These family forests provide more fish and wildlife habitat, more watershed protection, and produce more timber and other forest products than all of the national forests and timber companies combined. Decreasing timber harvest levels on federal lands, combined with the steady per capita increase in wood consumption, puts growing pressure on private forests to provide these necessary resources.

Family forestlands are also facing increasing pressure from development. The Southern Forest Resource Assessment, a comprehensive study of the long-term sustainability of forests in the South, identifies loss of forest cover due to development as the most direct, immediate, and permanent threat to forests. This collaborative effort among the USDA Forest Service, the U.S. Environmental Protection Agency, the U.S. Fish and Wildlife Service, the Tennessee Valley Authority, and state forestry and wildlife agencies, was initiated in 1999 in response to concerns from natural resource managers and the public about the future of forests in the South, the great majority of which are privately owned. While the scope of this study is limited to the South, many of the findings can be accurately extrapolated to other areas of the country.

Recognizing the benefits of and threats to family forestlands, Congress enacted the Forest Land Enhancement Program (FLEP) in the Forestry Title of the 2002 Farm Bill and made \$100 million in mandatory funding available for the 5-year life of the program. FLEP is designed as a comprehensive program to provide family forest landowners with technical, financial, and educational assistance to promote sustainable forest management. The program focuses on providing public benefits from private forests by enhancing forest health and vigor, but also by improving wildlife habitat, protecting water quality, controlling harmful invasive species, and reducing hazardous fuel buildup. The new program replaced and consolidated the most effective aspects of two older programs, the

Forestry Incentives Program (FIP) and the Stewardship Incentives Program (SIP). Having replaced these two successful programs, FLEP now serves as the only federal program available through State Foresters that provides family forest landowners with additional financial and technical tools to help them manage their forests sustainably.

In 2003, the first year of FLEP implementation, \$20 million was released to the states for technical, educational, and financial assistance to be delivered to private landowners. After a very successful but brief period of program delivery, \$50 million in funding authority was transferred for fire suppression, of which only \$10 million was returned. By order of the White House Office of Management and Budget (OMB), no funds were released to implement the program in 2004. Furthermore, the President's proposed budget, released this past February, cancels the remaining funding for the program. I fear that if Congress adopts this proposal, the program is doomed. The actions of the Administration clearly run contrary to the intent of this Committee.

#### State Flexibility

One of the most valuable aspects of the program is its inherent flexibility. Individual states are able to tailor the program to fit the particular needs of the state's family forest landowners. I shall now present you with some examples from around the country of how the states have crafted the program to fit the unique needs of landowners.

#### *Arkansas*

The Arkansas Forestry Commission has long struggled to have minority landowners become more involved in the long-term management of their forestland. There exists a significant distrust of government agencies among minority landowners across the state. Low incomes and lack of education have made sustainable long-term management of these family-owned forests an especially difficult challenge.

The Commission saw an opportunity to begin to build new trust through FLEP. Using the flexibility of the program, the Arkansas Forest Stewardship Coordinating Committee set aside 10 percent of the FLEP funds for limited resource and minority landowners and increased the cost-share rate for these landowners to 75 percent, the maximum allowed. A series of twelve workshops was scheduled to be held in churches with black congregations in rural Arkansas during weekends and evenings to begin establishing a foundation of trust through personal interaction with Forestry Commission staff and even the State Forester himself. The workshops would also present an opportunity for landowners to sign up for technical and financial assistance.

Much to the frustration of Arkansas landowners, funding for FLEP was halted by OMB before the first scheduled workshop. While two workshops were still conducted, thanks in part to a grant from a local Resource Conservation and Development District, no money was available to assist the landowners. Because one of the main reasons for the workshops was to develop trust, it was extremely frustrating for both the landowners and the Forestry Commission to have the rug pulled out from under them.

#### *Virginia*

In my state of Virginia, we received nearly \$673,000 in funding to be used in 2003. Working through the Virginia Forest Stewardship Coordinating Committee, we allocated ten percent for administration, an additional ten percent for training personnel to deliver the program, five percent for education, and the remaining 75 percent for direct cost-share assistance to landowners. Our cost-share assistance efforts resulted in developing 49 Forest Stewardship Management Plans on more than 10,000 acres and implementing forest resource management practices for 429 landowners on nearly 13,000 acres. Plans for three outreach programs to minority landowners through a partnership with Virginia State University have been cancelled due to the Administration's actions. We were hoping to use these programs to reach an audience of landowners who traditionally have been out of touch with our agency.

Nationwide, harmful invasive species cost Americans \$138 billion in economic losses, detection, and control. Invasives threaten biodiversity by displacing native species. Nearly half of the species listed as threatened or endangered under the U.S. Endangered Species Act are affected by invasives. Such persistent species as kudzu, tree of heaven, and garlic mustard threaten the renowned biodiversity of Virginia's varied forests. FLEP is an extremely valuable tool for us to reach out to landowners to help them control invasive species on their property. Without funding, our efforts at combating this insidious problem will be greatly hindered.

#### *Montana*

The Montana Division of Forestry recognized FLEP as a valuable tool to help mitigate the threat of catastrophic wildfire on private lands. The Division received \$317,000 in funding in 2003 and received twice the number of applications as the available funding could cover after only three months of accepting signups. Nearly half the cost-share funds were used to assist landowners with reducing the buildup of hazardous fuels on their property. While the National Fire Plan provides money for hazardous fuel reduction primarily on federal lands, some funds are available for work on private lands. However, the magnitude of the problem requires complementary assistance from other federal programs such as FLEP. An additional 25 percent targeted rehabilitation of private forestlands following the devastating fires during the summer of 2003. Foresters in Montana estimate that \$400,000 of FLEP cost-share assistance, mostly for fuels treatment, will not reach the ground with the elimination of FLEP funding for the remainder of the program. With the Administration's focus on healthy forests, both public and private, FLEP is an essential tool for restoring fire-adapted forests on private lands. The debate over the Healthy Forests Restoration Act has demonstrated the important public benefits of this restoration work. FLEP acts as a catalyst for the private landowners who do not have the resources or knowledge to accomplish this restoration work on their own.

#### *North Carolina*

In preparation for funding through the new FLEP program, the North Carolina Division of Forest Resources created a new partnership with the North Carolina Wildlife Resources Commission to help deliver technical assistance for wildlife-related activities on family forests. The Division also worked with North Carolina State University's

Cooperative Extension Service to provide professional education directly to service providers, consulting foresters, and landowners. To better connect with the state's underserved landowners, an Outreach Coordinator was to be hired using FLEP funds. The sudden cancellation of the funds has halted these plans and discouraged many of North Carolina's landowners most in need of assistance.

### *Pennsylvania*

Regeneration of desirable hardwood species, primarily oak and cherry, is one of the toughest challenges facing the Pennsylvania Bureau of Forestry. A notoriously dense population of whitetail deer across the state has put extreme pressure on young tree seedlings from browsing. Private landowners have been reluctant to try innovative methods to achieve desirable regeneration due to high costs and lack of technical knowledge of their implementation.

A joint effort was initiated in 2001 between the Pennsylvania Bureau of Forestry and the Pennsylvania Game Commission to begin to address the deer population and forest regeneration. While the Game Commission focused their efforts on controlling the size of the herd, the Bureau of Forestry took on the challenge of restoring the forest. FLEP acted as the mechanism for the state to connect with private landowners to foster restoration efforts. The Bureau of Forestry used FLEP funds to establish approximately 60 demonstration projects on family forests across the state to highlight activities private landowners could use to aid forest regeneration, including constructing fences to exclude deer and controlling undesirable competing vegetation. Demand for the program, even with limited public outreach, was three to four times the available supply of funding. With the cancellation of FLEP program funds, these restoration efforts will be greatly reduced.

### *California*

California has an excellent state mechanism for delivering technical and financial assistance to forest landowners, the California Forest Improvement Program. However, recent state budget reductions have seriously eroded the effectiveness of the program. When the FLEP funding became available in 2003, the California Department of Forestry and Fire Protection was able to channel the FLEP funds through the existing state program to ensure maximum efficiency of program delivery. The priorities for delivery to landowners are post-fire forest restoration, hazardous fuel reduction, and forest improvement for timber, wildlife, and water resources. The cancellation of FLEP funding has hindered the ability of the state to provide landowners with the resources to achieve these goals. The situation is especially critical following the increased demand due to last year's devastating wildfires in Southern California.

### Overlap with Other USDA Programs

The Administration has justified the cancellation of FLEP by arguing that forestry technical and financial assistance can be delivered to landowners through a variety of other USDA programs. While some programs do provide limited assistance, it paints a very distorted picture of reality.

Most USDA conservation programs are delivered through the Natural Resources Conservation Service (NRCS), an organization with which State Foresters have established a long working relationship. NRCS is largely an agency that delivers conservation programs to the nation's 2 million agricultural producers, a mission at which they excel. Of all the programs delivered by NRCS, the Environmental Quality Incentives Program (EQIP) is the program considered most redundant with FLEP. While certain forestry practices are indeed authorized to be cost-shared under EQIP, in most states EQIP retains a largely agricultural focus, making it most difficult for forest landowners to compete for limited funding. In addition, the Cooperative Forestry Assistance Act of 1978 establishes State Foresters as the primary link between the USDA and the nearly 10 million family forest landowners across the nation. It recognizes that private landowners look to State Foresters as the provider of assistance for the management of their forest lands.

Not only do state forestry agencies have a direct connection to landowners, they are also able to deliver federal assistance programs more efficiently than the USDA. The old Stewardship Incentives Program was delivered by State Foresters and administered by the Forest Service with a federal administrative cost of 22 percent, whereas the current FLEP program, largely administered by the states, has a federal administrative cost of only six percent. No new federal employees were hired to administer FLEP. During the initial stages of crafting the 2002 Farm Bill, the NRCS requested a 25 percent administrative share if it were assigned to deliver the new Farm Bill forestry program.

The priorities for each state to implement EQIP are set by the State Technical Committee, a group that is largely composed of agricultural interests. Forestry practices have therefore been given low priority in most states. Given the incredible demand for this and other conservation programs from agricultural producers, forest landowners are finding it very challenging to sign up under EQIP. State priorities for FLEP, on the other hand, were determined by each state's Forest Stewardship Coordinating Committee. These groups are appointed by the State Forester and contain representatives of local government, conservation groups, land trusts, state fish and wildlife agencies, forest landowners, the forest products industry, and environmental groups. Unlike the NRCS State Technical Committees, the Stewardship Coordinating Committees represent a wide array of forestry interests and have a history and comprehensive knowledge of forest resource issues in each state.

Some degree of overlap among federal conservation programs is both inevitable and necessary. USDA's conservation programs are all greatly oversubscribed and landowners need other options if one program is overenrolled. Demand for EQIP funds, for example, is nearly six times the amount of available funding, making assistance for family forest owners even more difficult to acquire.

NRCS is currently in the process of redefining the agency from that of a conservation provider to a conservation enabler. The agency no longer has the staff necessary to provide adequate technical assistance to landowners. Moreover, with the exception of only 20 field foresters across the nation, most NRCS field staff are not foresters, making

the delivery of programs to forest landowners more difficult. Conversely, state forestry agencies work very effectively with forest landowners to deliver forest conservation programs through their staff of foresters. These foresters have fostered a trusting relationship with private landowners over the course of many years and are looked upon as the primary source of forestry information and assistance. As a result, programs offered through the State Foresters are the most effective at meeting the needs of forest landowners because this mechanism for technical assistance and relationship with landowners is already in place.

### Conclusion

State Foresters are the chief provider of forestry assistance to family forest landowners and we are committed to working with the Committee to ensure the future of FLEP is secured. Without funding for FLEP, family forest landowners will be left without a targeted cost-share program for the first time in nearly 50 years, a great disservice to landowners, the forest resource, and ultimately the nation.

With increasing pressures from development and the reduction of timber harvesting on federal land, a cost-share program for family forest landowners is needed more than ever. The program must be focused on state and local issues, flexible enough to meet varied conditions and contexts, and administered through the State Forestry agencies who have the expertise and existing program delivery structure. FLEP is this program.

We appreciate the Committee's support for the program, especially in these financially challenging times. Thank you for the opportunity to testify today. I would be happy to answer any questions you may have.